



Budget

HIGHLIGHTS OF 2025-26

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The Union Budget for 2025-26, themed “SABKA VIKAS” (Development for All), emphasizes balanced regional growth across India.

Union Budget highlights that Agriculture, MSME, Investment, and Exports are engines in the journey to Viksit Bharat using reforms as fuel, guided by the spirit of inclusivity.



ENGINE 1

Agriculture



Covering 100 districts for productivity, crop diversification, storage, and irrigation under **PM Dhan-Dhaanya Krishi Yojana**.



Skilling, tech adoption, and rural investment to tackle underemployment, through **Rural Prosperity & Resilience Programme**.



Missions for High-Yielding Seeds, Fruits & Vegetables, and Cotton Productivity by way of introducing **Sector-Specific Boost**.



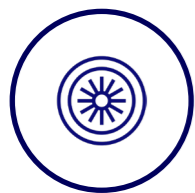
Loan raised from 3 lakh to 5 lakh under the modified interest subvention scheme under **Kisan Credit Card (KCC)**.



ENGINE 2 *MSME*



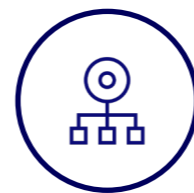
New scheme for 5 lakh **First-time Women Entrepreneurs**. With term loans up to ₹2 Cr over the next 5 years.



“Made in India” Toy Industry Promotion Scheme to make India a global hub.



National Manufacturing Mission for MSMEs & large industries under “Make in India”.



Investment & Turnover Limits for MSME classification increased to 2.5x & 2x respectively.



ENGINE 3

Investment

Defining Investment as the third engine of growth, the Union Minister prioritized investment in people, economy and innovation.



- ◆ **50,000 Atal Tinkering Labs** in govt. schools in next 5 years.
- ◆ **Broadband for all Govt. Schools** & Primary Health Centres under BharatNet.
- ◆ **Bharatiya Bhasha Pustak Scheme** for digital Indian language books.
- ◆ **5 National Skilling Centres of Excellence** for global manufacturing skills.
- ◆ **INR 500 Crore AI Centre of Excellence** for education.



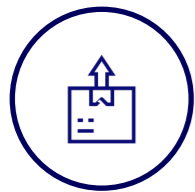
- ◆ **INR 1.5 Lakh crore interest-free loans** for states' capital expenditure & reforms.
- ◆ **Asset Monetization Plan 2025-30** to raise ₹10 Lakh crore for new projects.
- ◆ **Jal Jeevan Mission** extended till 2028 with focus on quality & maintenance.
- ◆ **INR 1 Lakh crore Urban Challenge Fund** for city redevelopment & sanitation.



- ◆ **INR 20,000 Crore** for Private-Sector R&D & Innovation.
- ◆ **National Geospatial Mission** for urban planning.
- ◆ **Gyan Bharatam Mission** to document & digitize 1 Cr+ manuscripts.



ENGINE 4 *Export*



Export Promotion Mission to help MSMEs tap global markets.



BharatTradeNet' (BTN) – A digital platform for trade documentation & financing.



Support for Domestic Manufacturing to integrate with Global Supply Chains.



A **National Framework** to be formulated as guidance to states for promoting Global Capability Centres in emerging tier 2 cities.



Financial Sector Reforms

FDI in Insurance

Limit raised from 74% to 100% for companies investing the entire premium in India.

Investment Friendliness Index

to be launched in 2025 to boost investments in tier 2 cities.

Jan Vishwas Bill 2.0

to decriminalization of 100+ provisions across various laws.

Other Aspects of Finance Bill

- **Income Tax Slabs Rationalized**
Highest 30% tax rate now applicable for income above Rs. 24 lakh (previously Rs.15 lakh).
- **Tax Rebate Increased**
Rebate threshold raised to ₹12 lakh (previously ₹7 lakh), benefiting middle-class taxpayers.
- **Updated Return Window Extended**
Time limit for filing updated returns increased from 24 months to 48 months from the end of the relevant assessment year.

Other Aspects of Finance Bill

- **Capital Gains Tax Hike**
Long-term capital gains tax to FPI on transfer of securities raised from 10% to 12.5%, aligning taxation for both resident and non-resident investors.
- **Start-up Tax Benefits Extended**
100% tax deduction on profits for eligible start-ups extended for 5 more years, boosting entrepreneurial growth. Any startups incorporated unit 1st April 2020 would stand eligible.
- **Relaxation for Fund Managers**
Certain conditions under Section 9A relaxed, making India more attractive for investment fund managers.



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